THIRD AMENDMENT TO CONTRACT SERVICES AGREEMENT TO PROVIDE STREET SWEEPING SERVICES FOR THE CITY OF CARSON, CALIFORNIA

This **THIRD AMENDMENT TO CONTRACT SERVICES AGREEMENT TO PROVIDE STREET SWEEPING SERVICES FOR THE CITY OF CARSON, CALIFORNIA** ("Amendment") by and between the CITY OF CARSON, a California municipal corporation ("City") and Nationwide Environmental Services, a division of Joe's Sweeping, Inc., a California Corporation ("Contractor"), is effective as of July 1, 2019.

RECITALS

A. City and Contractor entered into that certain "Contract Services Agreement" ("Agreement") dated July 1, 2008, for street sweeping services within the City, which provided for an annual contract sum of \$731,420; and

B. City and Contractor entered into that certain "First Amendment to Contract Services Agreement" ("First Amendment") dated February 1, 2011, for street sweeping services within the City, which made modifications to the provisions of the Agreement relating to CPI adjustments, term, and termination; and

C. City and Contractor entered into that certain "Second Amendment to Contract Services Agreement" ("Second Amendment") dated April 1, 2014, for street sweeping services within the City, which made further adjustments to the provisions of the Agreement relating to term and termination, and which amended the contract sum provisions of the Agreement to authorize an additional annual sum of \$58,000 for sidewalk sweeping services (although it inadvertently omitted express amendment of the language of Section 2.1, "Contract Sum"); and

D. Section 2.3 (Future Adjustments) of the Agreement provides, "[e]ffective July 1, 2009, and on each July 1 thereafter, the compensation paid to the contractor may be adjusted annually to rates that are based upon changes in the Consumer Price Index ("CPI"), All Urban Consumers for Los Angeles-Anaheim-Riverside Area, as published by the United States Department of Labor, Bureau of Labor Statistics. The Contractor shall submit to the City, each April, beginning in 2009, information in support of an annual adjustment. The information will include changes in the CPI that have occurred during the preceding calendar year. The City Manager or designee shall review the information submitted by Contractor and will refer the proposed adjustment to City Council for approval, in its reasonable judgment."

E. Between the effective date of the Agreement and the end of 2018, four prior CPI increases requested by Contractor were approved for budgeting purposes by the City Council, and thereafter paid by the City, in the total amount of \$72,958.44, as follows: (1) CPI increase of 2.2%, effective July 1, 2013; (2) CPI increase of 1.3%, effective July 1, 2015; (3) CPI increase of 1.89%, effective July 1, 2017; and (4) CPI increase of 2.79%, effective July 1, 2018 (collectively, the "Prior CPI Increases"). However, none of the Prior CPI Increases were formally authorized or memorialized via an amendment to the Contract. Accordingly, the parties now wish to ratify the Prior CPI Increases and amend the Agreement to reflect said adjustments.

F. On April 2, 2019, Contractor submitted a request to the City for a 3.8% cost of living increase pursuant to Section 2.3 of the Agreement, which based on the annual contract sum as of that date constitutes an increase of \$32,770.32 to the annual contract sum (the "Requested CPI Increase").

G. The City Council approves of the Requested CPI Increase, and the parties wish to amend the Agreement to reflect the adjustment.

H. In order to authorize the Requested CPI Increase and ratify the Prior CPI Increases, the parties now desire to increase the annual contract sum by \$32,770.32 for the Requested CPI Increase. This increase, in addition to the desired ratification and memorialization of the Prior CPI increases in the amount of \$72,958.44, constitutes a total contract sum adjustment of \$105,728.76, from \$789,420 to \$895,148.76.

TERMS

1. **Contract Changes**. The Agreement is amended as provided herein.

A. Section 2.1, <u>Contract Sum</u>, is hereby amended to read as follows:

"2.1 For the services rendered pursuant to this Contract Sum. Agreement, the Contractor shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference, but not exceeding the maximum contract amount of Eight Hundred Ninety-Five Thousand One Hundred Forty-Eight Dollars and Seventy-Six Cents (\$895,148.76) ("Contract Sum") per annum, except as provided in Section 1.8. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of services, (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expense, transportation expense approved by the Contract Officer in advance, and no other expenses and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City; Contractor shall not be entitled to any additional compensation for attending said meetings."

B. Section C.1 of Exhibit "C" (Schedule of Compensation) of the Agreement is hereby amended to read as follows:

"C.1. For the services required herein, the Contractor shall be paid the following:

1. The annual sum of *837,148.76* ("Contract Sum") in twelve (12) monthly installments at the time specified in this Agreement. The Contract

Sum shall be adjusted annually, in accordance with section 2.0 Compensation of this Agreement."

2. Any additional street sweeping services requested by the Contract Officer and not otherwise specified in the Agreement shall be performed by the Contractor at one of the following rates \$95.00 per hour per sweeper, \$30.58 per curb mile. The City shall maintain sole discretion in selecting which rate shall apply when additional services are employed. These hourly or curb mile rates shall be adjusted on the anniversary of the Commencement Date in the manner set forth in this Agreement. The hourly rate shall apply whenever special services are requested by the Contract officer. The mileage rate shall apply to any new streets added or deleted from the sweeping schedule.

3. The additional annual sum of Fifty-Eight Thousand Dollars (\$58,000) for sidewalk sweeping services payable in twelve (12) monthly installments at the time specified in the Agreement. Such sum shall be adjusted annually, in accordance with Section 2.0 Compensation of this Agreement."

2. **Continuing Effect of Agreement.** Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Contractor each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Contractor represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Contractor that, as of the date of this Amendment, Contractor is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. **Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

5. **Authority.** The persons executing this Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute

and deliver this Amendment on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date(s) set forth below, with the express intent that this Amendment be effective as of July 1, 2019.

CITY:

CITY OF CARSON, a municipal corporation

Albert Robles, Mayor

Date: _____, 2019

ATTEST:

Donesia Gause-Aldana, City Clerk

APPROVED AS TO FORM: ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney [BRJ]

CONTRACTOR:

Nationwide Environmental Services, a division of Joe's Sweeping, Inc., a California Corporation

By:_____

Name: Title:

By:_____

Name: Title: Address: <u>11914 Front St.</u> Norwalk, CA 90650

Date: _____, 2019

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.	
STATE OF CALIFORNIA	
COUNTY OF LOS ANGELES	
On, 2019 before me,, personally appeared, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.	
I certify under PENALTY OF PERJURY under the law true and correct.	ws of the State of California that the foregoing paragraph is
WITNESS my hand and official seal.	
Signature:	
OPTIONAL Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.	
CAPACITY CLAIMED BY SIGNER INDIVIDUAL CORPORATE OFFICER	DESCRIPTION OF ATTACHED DOCUMENT
TITLE(S) PARTNER(S) IMPORTATIONNEY-IN-FACT	TITLE OR TYPE OF DOCUMENT
TRUSTEE(S) GUARDIAN/CONSERVATOR OTHER	NUMBER OF PAGES
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))	DATE OF DOCUMENT
	SIGNER(S) OTHER THAN NAMED ABOVE

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COUNTY OF LOS ANGELES

On, 2019 before me,, personally appeared, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.		
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.		
WITNESS my hand and official seal.		
Signature:		
OPTIONAL Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.		
CAPACITY CLAIMED BY SIGNERINDIVIDUALCORPORATE OFFICER	DESCRIPTION OF ATTACHED DOCUMENT	
TITLE(S) PARTNER(S) LIMITED GENERAL ATTORNEY-IN-FACT TRUSTEE(S) GUARDIAN/CONSERVATOR OTHER	TITLE OR TYPE OF DOCUMENT	
	NUMBER OF PAGES	
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	SIGNER(S) OTHER THAN NAMED ABOVE	